GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1285
ANSWERED ON:24.07.2017
Price of LPG
Chavan Shri Harishchandra Deoram;Kateel Shri Nalin Kumar;Suresh Shri Doddaalahalli Kempegowda

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the price of LPG cylinders has gone up after implementation of GST and if so, the details thereof;
(b) whether the poor people are facing great difficulties due to increase in the price of LPG and if so, the details thereof along with the steps taken to bring down the price of LPG cylinder in the country;
(c) the corrective action taken/being taken by the Government in this regard;
(d) whether the Public Sector Oil Marketing Companies are reportedly charging higher initial security for providing the composite cylinders domestically and if so, the details thereof along with security charged in this regard; and
(e) whether the OMCs have taken/ propose to take action to manufacture composite cylinders domestically and if so, the details thereof along with the steps taken by the Government in this regard?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)
(a) to (c): After launch of DBTL, the LPG consumers registered with Public Sector Oil Marketing Companies (OMCs) namely, IOC, BPC and HPC get the Domestic LPG cylinders at market determined price and receive LPG subsidy directly into their bank accounts as per their entitlement.
There is an increase of Rs.26.88 per 14.2 kg Domestic LPG Cylinder due to the implementation of GST with effect from 1st July, 2017 since there was 0% VAT in Delhi on Domestic LPG. However, the prices vary from state to state, since many states had VAT rates ranging between 0 - 5% on Domestic LPG.
(d) & (e): Marketing of LPG through composite cylinders is not yet started by Public Sector Oil Marketing Companies (OMCs). OMCs do not manufacture cylinders, including composite cylinders, themselves.
x-x-x-x-x